

Press Release

Volvo Group Wins CALSTART 2020 Blue Sky Award for Innovative Volvo LIGHTS Project

The landmark project, taking place in Southern California, was recognized for uniting public and private stakeholders to create a blueprint for zero-emission commercial transportation.

The Volvo Group, and the transformative power of its Volvo LIGHTS project to help it gain market confidence to launch production of heavy-duty electric trucks, was honored today with CALSTART's 2020 Blue Sky Award at the organization's Annual Meeting, a virtual gathering of the clean transportation industry's top leaders and decision makers.

The annual Blue Sky Award is presented to organizations and individuals who have made outstanding marketplace contributions to clean air, climate change mitigation and the development of clean transportation technologies. The Volvo Group and its Volvo LIGHTS project was recognized for its efforts in uniting public and private stakeholders to successfully introduce zero-emission battery-electric trucks and equipment into commercial operation.

"We are incredibly pleased to honor the Volvo Group, and the vision shown in its Volvo LIGHTS project and team, with this year's Blue Sky Award. The project has played a critical role in making medium- and heavy-duty transportation electrification real by uncovering and resolving numerous potential obstacles to widespread adoption," said CALSTART president and CEO John Boesel. "To a great extent because of the Volvo LIGHTS project, Volvo Trucks is beginning production in North America of a family of electric trucks and deserves to be recognized across the industry."

The Volvo LIGHTS (Low Impact Green Heavy Transport Solutions) project is a collaboration between 15 public and private partners to develop a blueprint to successfully introduce battery-electric trucks and equipment into the market at scale. The project is led by the Volvo Group and South Coast Air Quality Management District (South Coast AQMD), along with partners NFI Industries, Dependable Supply Chain Services, TEC Equipment, Greenlots, Port of Long Beach, Port of Los Angeles, Southern California Edison, CALSTART, the University of California, Riverside CE-CERT, Reach Out, Rio Hondo College and San Bernardino Valley College. CALSTART's role in the project is to manage the procurement of zero-emission terminal tractors, forklifts and other non-road equipment.



"The Volvo LIGHTS project owes its success to the determination and dedication of our many project partners," said Peter Voorhoeve, president of Volvo Trucks North America. "Volvo LIGHTS' diverse stakeholders each represent one aspect of the holistic ecosystem needed to support the deployment of battery-electric heavy-duty trucks. Volvo Trucks now enters the next phase of commercial production taking into account the very valuable lessons learned from the Volvo LIGHTS project and applying them to help fully realize our vision of creating sustainable transport solutions."

The Volvo LIGHTS project recently achieved several important milestones critical to the success of the initiative. Two of the project's fleet partners, third-party supply chain solutions provider NFI and leading freight operator Dependable Highway Express (DHE), recently received and began piloting four Volvo VNR Electric trucks. The two fleet partners are tasked with testing the battery-electric trucks in their daily operations, gathering real-world operational data on the trucks' power, performance and range. The Volvo LIGHTS project team was also recently successful in helping to facilitate the modification of California utility rules to give private entities the ability to sell electricity as a motor fuel at publicly accessible charging stations for medium- and heavy-duty electric vehicles.

"The Volvo LIGHTS project shows what can be achieved when we collaborate across the public and private sector," said Judy Mitchell, governing board member at South Coast AQMD and the California Air Resources Board. "The Volvo LIGHTS project partners should be applauded for their authentic and actionable plan to reduce emissions and improve air quality, starting right here in Southern California."

Earlier this month, Volvo Trucks North America announced it will begin selling the Volvo VNR Electric truck model to U.S. and Canadian customers on Dec. 3, 2020 and begin production at its New River Valley manufacturing plant in Dublin, Virginia in early 2021. Volvo Trucks will also be offering a full family of heavy-duty electric trucks for the European market in 2021 with production starting in 2022.

Dawn Fenton, vice president, government relations and public affairs for Volvo Group North America, virtually accepted the award on behalf of the Volvo LIGHTS project team at the CALSTART 2020 Annual Meeting.

The Volvo LIGHTS project was made possible by an award to South Coast AQMD of \$44.8 million from the California Air Resources Board (CARB) as part of California Climate Investments (CCI). CCI is a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities. As a result, South Coast AQMD contributed \$4 million from the Clean Fuels Fund and awarded a \$45.6 million contract to the Volvo Group to design and implement the project. Volvo and its partners have promised no less than \$45.7 million in matching contribution to increase the total project value to over \$91 million for South Coast AQMD to administer.



To learn more about the Volvo LIGHTS project, please visit www.lightsproject.com.



CAPTION: The Volvo Group was honored with CALSTART's 2020 Blue Sky Award for the Volvo LIGHTS project and its effort to unite public and private stakeholders to create a blueprint for zero-emission commercial transportation. Dawn Fenton, vice president, government relations and public affairs, accepted the award during CALSTART's annual meeting on Nov. 17, 2020.

The Volvo Group drives prosperity through transport solutions, offering trucks, buses, construction equipment, power solutions for marine and industrial applications, financing and services that increase customer uptime and productivity. Founded in 1927, the Volvo Group is committed to shaping the future landscape of sustainable transport and infrastructure solutions. The Volvo Group is headquartered in Gothenburg, Sweden, employs nearly 100,000 people and serves customers in more than 190 markets. Volvo Group North America, with headquarters in Greeensboro, NC, employs 11,500 people in the United States and operates 11 manufacturing facilities in seven states. In 2019, the Volvo Group's global net sales amounted to about \$45.7 billion. Volvo shares are listed on Nasdaq Stockholm. For more information, please visit <u>www.volvogroup.com</u>.

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